<u>REMARKS</u>

Applicant requests favorable reconsideration and allowance of this application in view of the foregoing amendments and the following remarks.

Claims 1-8, 10-17, and 19-27 are pending in this application, with Claims 1, 2, 10, 11, 19, 20, 21 and 27 being the independent claims. Claims 9 and 18 have been cancelled without prejudice.

Claims 1-8, 10-17, 19, 20, 21 and 27 have been amended. Applicant submits that support for these amendments can be found in the original disclosure, and therefore no new matter has been added.

The drawings were objected to as failing to comply with 37 CFR 1.84(p)(4) because reference characters "203" in Fig. 4 and "205" on page 10, line 11 of the specification have both been used to designate a monitor screen and reference character "308" has been used to designate both DRAM in Fig. 8 and a column of a table in Fig. 18. Appended hereto are two replacement sheets of formal drawings to address this objection. In Fig. 5A, reference character 203 has been amended to 205, and the specification has been amended accordingly at page 10, line 11. Also, reference character 308 has been deleted from Fig. 18. Applicant respectfully requests reconsideration and withdrawal of this objection.

The drawings were also objected to as failing to comply with 37 CFR 1.84(p)(5) because they include the following reference sign(s) not mentioned in the description: "314" referring to a timer in Fig. 8 and S206-S210 of Fig. 10. The specification has been amended to include a mention of those reference signs. Applicant submits that the amendments to the specification are supported at least in the original

drawings and therefore do not constitute new matter. Reconsideration and withdraw of this objection are therefore requested.

The disclosure was objected to based on an informality because at page 4, lines 22-24, the specification describes Fig. 2 as a view showing the flow of a procedure for extracting embedded information from a watermark image, whereas Fig. 2 shows the flow of a procedure for embedding information in an image. The specification has been amended to address this matter, and reconsideration and withdrawal of the objection are requested.

The Office Action stated that, should claims 1, 10, and 19 be found allowable, claims 2, 11, and 20 would be objected to under 37 CFR 1.75 as being a substantial duplicate thereof. Applicant submits that the amended claims are not substantially duplicative. For example, Claim 1 recites the feature of setting an embedding mode for defining an embedding method on the basis of an image sensing mode, whereas Claim 2 recites the feature of setting an image sensing mode for an image sensing means on the basis of an embedding mode. Reconsideration of the position that the claims are duplicative is requested.

Claims 1-20 are objected to under 37 CFR § 1.75(a) as failing to particularly point out and distinctly claims the subject matter which the applicant regards as the invention or discovery. The claims have been amended in view of the Examiner's comments, and Applicant believes the Examiner's objections have been addressed. Favorable reconsideration and withdrawal of this objection are requested.

Claims 1-6, 9-15, and 18-20 were rejected under 35.U.S.C. §102(e) as being anticipated by U.S. Patent Application Publication US 2003/0011684 A1 (Narayanaswami et al.). Applicant respectfully traverses this rejection for the reasons discussed below.

As recited in independent Claim 1, the present invention includes, *inter alia*, the feature of setting an embedding mode for defining an embedding method on the basis of an image sensing mode. As recited in independent Claim 2, the present invention includes, among others, the feature of setting an image sensing mode for an image sensing means on the basis of an embedding mode. Generally speaking, in either of these claims, when one mode is set (i.e., image sensing or embedding mode) the other mode is set on the basis of the set mode. This feature prevents a user from setting an image sensing mode and an embedding mode independently. Each of independent Claims 10, 11, 19, and 20 recites a feature similar to at least one of those discussed above regarding Claims 1 and 1.

Applicant submits that the cited art does not disclose or suggest either of the above-mentioned features. In particular, Applicant submits that Naravanaswami et al. discloses setting an image sensing mode and an embedding mode independently, and therefore it does not disclose or suggest at least the above-mentioned features.

Claims 7, 8, 16, 17, 21, 22, 24, 26 and 27 stand rejected under 35 U.S.C. 103(a) as being unpatentable over the combination of Narayanaswami et al. and U.S. Patent Application US 2002/0080997 A1 (Rhoads et al.). Applicant respectfully traverses this rejection for the reasons discussed below.

As recited in independent Claim 21, the present invention includes, among others, determining whether to activate an embedding means in accordance with an image sensing mode selected by a selection means. Claim 27 recites a similar feature. Applicant

submits that Naravanaswami et al. also fails to disclose or suggest at least this feature.

That patent discloses determining information to be embedded in accordance with a

sensing mode, but it does not disclose or suggest determining whether or not embedding is

activated in accordance with the sensing mode.

For the foregoing reasons, Applicant submits that the present invention recited

in independent Claims 1, 2, 10, 11, 19, 20, 21, and 27 is patentable over the cited art. The

dependent claims are patentable for at least the same reasons as the claims they depend

from, as well as for the additional features they recite.

For the foregoing reasons, Applicant submits that this application is in

condition for allowance. Favorable reconsideration, withdrawal of the rejections and

objections set forth in the above-mentioned Office Action, and an early Notice of

Allowance are requested.

Applicant's undersigned attorney may be reached in our Washington, D.C.

office by telephone at (202) 530-1010. All correspondence should continue to be directed

to our below-listed address.

Respectfully submitted,

Attorney for Applicant

Brian L. Klock

Registration No. 36,570

FITZPATRICK, CELLA, HARPER & SCINTO 30 Rockefeller Plaza New York, New York 10112-3801

Facsimile: (212) 218-2200